



**6714-01-P**

## **FEDERAL DEPOSIT INSURANCE CORPORATION**

### **Agency Information Collection Activities: Submission for OMB Review; Comment Request (OMB No. 3064-0188)**

**AGENCY:** Federal Deposit Insurance Corporation (FDIC).

**ACTION:** Agency Information Collection Activities: Submission for OMB Review; Comment Request.

**SUMMARY:** The FDIC, as part of its obligations under the Paperwork Reduction Act of 1995, invites the general public and other Federal agencies to take this opportunity to comment on the renewal of the existing information collection described below (3064-0188) on July 16, 2019, the FDIC requested comment for 60 days on a proposal to renew the information collection described below. No comments were received. The FDIC hereby gives notice of its plan to submit to OMB a request to approve the renewal of this collection, and again invites comment on this renewal.

**DATES:** Comments must be submitted on or before **[INSERT DATE 30 DAYS FROM PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** Interested parties are invited to submit written comments to the FDIC by any of the following methods:

- *<https://www.FDIC.gov/regulations/laws/federal>.*
- *Email: [comments@fdic.gov](mailto:comments@fdic.gov).* Include the name and number of the collection in the subject line of the message.
- *Mail:* Manny Cabeza (202-898-3767), Counsel, MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.
- *Hand Delivery:* Comments may be hand-delivered to the guard station at the rear of the 17th Street Building (located on F Street), on business days between 7:00 a.m. and 5:00 p.m.

All comments should refer to the relevant OMB control number. A copy of the comments may also be submitted to the OMB desk officer for the FDIC: Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

**FOR FURTHER INFORMATION CONTACT:** Manny Cabeza, Counsel, 202-898-3767, [mcabeza@fdic.gov](mailto:mcabeza@fdic.gov), MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

**SUPPLEMENTARY INFORMATION:** On July 16, 2019, the FDIC requested comment for 60 days on a proposal to renew the information collection described below. No comments were received. The FDIC hereby gives notice of its plan to submit to

OMB a request to approve the renewal of this collection, and again invites comment on this renewal.

Proposal to renew the following currently approved collection of information:

1. Title: Appraisal for Higher-Priced Mortgage Loans.

OMB Number: 3064-0188.

Form Number: None.

Affected Public: Insured state nonmember banks and state savings associations.

Burden Estimate:

Summary of Annual Burden and Internal Cost							
Information Collection (IC) Description	Type of Burden	Obligation to Respond	Estimated Number of Respondents	Estimated Frequency of Responses	Estimated Time per Response (hours)	Frequency of Response	Total Annual Estimated Burden (hours)
<b>Review and Provide Copy of Full Interior Appraisal</b>	Third Party Disclosure	Mandatory	1,300	13	0.14	On Occasion	2,366
<b>Investigate and Verify Requirement for Second Appraisal</b>	Recordkeeping	Mandatory	1,300	8	0.14	On Occasion	1,456
<b>Conduct and Provide Second Appraisal</b>	Third Party Disclosure	Mandatory	1,300	1	0.14	On Occasion	182
<b>TOTAL ESTIMATED ANNUAL BURDEN</b>							4,004

General Description of Collection:

Section 1471 of the Dodd-Frank Act established a new Truth in Lending (TILA) section 129H, which contains appraisal requirements applicable to higher-risk mortgages and prohibits a creditor from extending credit in the form of a higher-risk mortgage loan to any consumer without meeting those requirements. A higher-risk mortgage is defined as a residential mortgage loan secured by a principal dwelling with an annual percentage rate (APR) that exceeds the average prime offer rate (APOR) for a comparable transaction as of the date the interest rate is set by certain enumerated percentage point

spreads. The rule requires that, within three days of application, a creditor provide a disclosure that informs consumers regarding the purpose of the appraisal, that the creditor will provide the consumer a copy of any appraisal, and that the consumer may choose to have a separate appraisal conducted at the expense of the consumer. If a loan meets the definition of a higher-risk mortgage loan, then the creditor would be required to obtain a written appraisal prepared by a certified or licensed appraiser who conducts a physical visit of the interior of the property that will secure the transaction, and send a copy of the written appraisal to the consumer. To qualify for the safe harbor provided under the rule, a creditor is required to review the written appraisal as specified in the text of the rule and appendix A. If a loan is classified as a higher-risk mortgage loan that will finance the acquisition of the property to be mortgaged, and the property was acquired within the previous 180 days by the seller at a price that was lower than the current sale price, then the creditor is required to obtain an additional appraisal. A creditor is required to provide the consumer a copy of the appraisal reports performed in connection with the loan, without charge, at least days prior to consummation of the loan.

There is no change in the method or substance of the collection. The overall reduction in burden hours is the result of economic fluctuation. In particular, the number of respondents has decreased while the hours per response and frequency of responses have remained the same.

#### Request for Comment

Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the FDIC's functions, including whether the information has practical utility; (b) the accuracy of the estimates of the burden of the information

collection, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. All comments will become a matter of public record.

Federal Deposit Insurance Corporation.

Dated at Washington, DC, on September 11, 2019.

**Valerie Best,**

*Assistant Executive Secretary.*

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